

103^D CONGRESS
2^D SESSION

H. R. 4402

To amend the Export Administration Act of 1979 to require the Secretary of Commerce to monitor domestic supplies and exports of unprocessed timber and to impose export controls on such timber when a critical short supply of such timber exists for domestic manufacturing purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 12, 1994

Mr. DEFazio (for himself, Mr. WILLIAMS, Mr. MILLER of California, Mr. STUDDS, Mr. BROWN of California, Mr. LEHMAN, Mr. RICHARDSON, Mr. WILSON, Mr. RAHALL, Mr. STARK, Mr. GORDON, Mr. ABERCROMBIE, Mr. BOEHLERT, Ms. SLAUGHTER, Mr. SANDERS, Mr. BARLOW, Mr. TORRES, Mr. MEEHAN, Mr. SERRANO, Mr. TOWNS, Mr. LEWIS of Georgia, Ms. WATERS, Mr. PETERSON of Minnesota, Mr. HINCHEY, Mr. FRANK of Massachusetts, Mr. NADLER, and Mr. SHAYS) introduced the following bill; which was referred to the Committee on Foreign Affairs

A BILL

To amend the Export Administration Act of 1979 to require the Secretary of Commerce to monitor domestic supplies and exports of unprocessed timber and to impose export controls on such timber when a critical short supply of such timber exists for domestic manufacturing purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Timber Fair Trade
3 and Forest Conservation Act of 1994”.

4 **SEC. 2. EXPORT CONTROLS ON UNPROCESSED TIMBER.**

5 Section 7 of the Export Administration Act of 1979
6 (50 U.S.C. App. 2406) is amended by adding at the end
7 the following:

8 “(1) UNPROCESSED TIMBER.—

9 “(1) MONITORING.—The Secretary shall mon-
10 itor—

11 “(A) exports of, and contracts to export,
12 unprocessed timber, and

13 “(B) domestic supplies of such unproc-
14 essed timber for domestic manufacturing pur-
15 poses, for the purpose of determining whether
16 a critical shortage of unprocessed timber, or of
17 any species or grade of unprocessed timber, ex-
18 ists for domestic manufacturing purposes.

19 “(2) EXPORT RESTRICTIONS.—If the Secretary
20 finds that a critical shortage of unprocessed timber
21 for domestic manufacturing purposes exists in any
22 State or region, then the Secretary shall impose re-
23 strictions on the export of such unprocessed timber
24 sufficient to ensure that there is an adequate supply
25 of such unprocessed timber to meet domestic manu-
26 facturing needs in that State or region. The Sec-

1 retary may remove such restrictions upon reporting
2 to Congress, under paragraph (3)(A), that such re-
3 strictions are no longer required under this sub-
4 section.

5 “(3) REPORTS TO CONGRESS.—(A) The Sec-
6 retary shall submit to Congress, not later than 30
7 days after the end of each calendar quarter, a report
8 on the results of the monitoring conducted under
9 paragraph (1), the Secretary’s determination of
10 whether a critical shortage of unprocessed timber for
11 domestic manufacturing purposes exists in any State
12 or region, and any export restrictions imposed as a
13 result of such determination.

14 “(B) Each report under subparagraph (A)
15 shall—

16 “(i) specify the quantity of exports, by
17 port, of unprocessed timber during the period
18 covered by the report, and the quantity of un-
19 processed timber to be exported under contracts
20 to export entered into during such period;

21 “(ii) estimate, as of the date of the report,
22 the domestic supplies, by State, of unprocessed
23 timber available for domestic manufacturing
24 purposes;

1 “(iii) specify whether such unprocessed
2 timber originated from Federal lands, State
3 lands, or private lands;

4 “(iv) determine whether such supplies of
5 unprocessed timber were sufficient to meet the
6 needs of domestic manufacturers;

7 “(v) include a formal finding as to whether
8 a critical shortage of unprocessed timber for do-
9 mestic manufacturing purposes exists in any
10 State or region; and

11 “(vi) if such a shortage or shortages exist,
12 specify the export restrictions deemed necessary
13 to satisfy domestic needs.

14 “(4) SMALL WOODLANDS.—Whenever the Sec-
15 retary imposes export restrictions under this sub-
16 section, the Secretary shall give preference in the al-
17 location of any available export licenses to persons
18 who own or have ownership interests in fewer than
19 3,000 acres of forest land and are exporting timber
20 from that ownership, or persons who can dem-
21 onstrate in a manner to be prescribed by the Sec-
22 retary that the timber to be exported under such li-
23 censes originates from such ownerships.

24 “(5) DEFINITIONS.—For purposes of this sub-
25 section—

1 “(A) the term ‘unprocessed timber’ has the
2 meaning given that term in section 493(7) of
3 the Forest Resources Conservation and Short-
4 age Relief Act of 1990 (16 U.S.C. 620e(7));

5 “(B) the term ‘private lands’ means lands
6 held or owned by a person, except that such
7 term does not include Federal lands or State
8 lands, or any lands the title to which is—

9 “(i) held in trust by the United States
10 for the benefit of any Indian tribe or indi-
11 vidual,

12 “(ii) held by any Indian tribe or indi-
13 vidual subject to a restriction by the Unit-
14 ed States against alienation, or

15 “(iii) held by any Native Corporation
16 as defined in section 3 of the Alaska Na-
17 tive Claims Settlement Act (43 U.S.C.
18 1602);

19 “(C) the term ‘Federal lands’ means lands
20 that are owned by the United States, but does
21 not include any lands described in clause (i),
22 (ii), or (iii) of subparagraph (B);

23 “(D) the term ‘State lands’ means lands
24 that are held or owned by a State or political
25 subdivision thereof, but does not include any

lands described in clause (i), (ii), or (iii) of subparagraph (B);

“(E)(i) a ‘critical shortage of unprocessed timber for domestic manufacturing purposes’ includes any period in which the volume of exports of such unprocessed timber in relation to supplies for domestic manufacturing purposes is contributing to a significant inflationary increase in domestic wood products prices or a shortage of such unprocessed timber for domestic manufacturing purposes, and such price increase or shortage has, or may have, a serious impact on the economy or any sector thereof;

“(ii) for purposes of clause (i), a ‘serious impact on the economy or any sector thereof’ may include a situation in which domestic lumber, paper or wood products mills are terminating or curtailing operations due to a shortage of unprocessed timber;

“(F) the term ‘person’ means any individual, partnership, corporation, association, or other legal entity and includes any subsidiary, subcontractor, or parent company, and business affiliates where 1 affiliate controls or has the power to control the other or when both are

1 controlled directly or indirectly by a third per-
2 son; and

3 “(G) the term ‘forest land’ means land
4 that is at least 10 percent stocked by live trees
5 or land formerly having such tree cover and not
6 currently developed for nonforest use.

7 “(6) RELATIONSHIP TO OTHER PROVISIONS.—
8 Unprocessed timber shall not be considered to be an
9 agricultural commodity for the purposes of sub-
10 section (g) of this section.

11 “(7) INAPPLICABILITY OF TERMINATION PROVI-
12 SION.—The provisions of section 20 do not apply to
13 this subsection, or to any authority under this Act
14 that is necessary to carry out this subsection.

15 “(8) PRESIDENTIAL AUTHORITY.—The Presi-
16 dent is authorized, after suitable notice and a public
17 comment period of not less than 90 days, to suspend
18 any export restrictions imposed under paragraph (2)
19 if a ruling is issued under the formal dispute resolu-
20 tion procedures of the General Agreement on Tariffs
21 and Trade finding that such restrictions violate Arti-
22 cle XI prohibitions on export restrictions and are not
23 allowable under the exceptions to Article XI.”.

1 **SEC. 3. IMPOSITION OF EXPORT CONTROLS ON CERTAIN**
2 **STATES.**

3 (a) FINDING.—The Congress finds that a critical
4 shortage of unprocessed timber for domestic manufactur-
5 ing purposes exists, within the meaning of section 7(1)
6 of the Export Administration Act of 1979, in the States
7 of Washington, Oregon, California, Idaho and Montana.

8 (b) EXPORT CONTROLS.—The Secretary of Com-
9 merce shall, upon the enactment of this Act, impose quan-
10 titative restrictions under section 7(1) of the Export Ad-
11 ministration Act of 1979, on exports of unprocessed tim-
12 ber from each State referred to in subsection (a).

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